

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-012641
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator CONOCOPHILLIPS COMPANY Contact: VICKI WESTBY E-Mail: Vicki.R.Westby@conocophillips.com		7. If Unit or CA Agreement, Name and No.
3a. Address 4001 PENBROOK, SUITE 346 ODESSA, TX 79762	3b. Phone No. (include area code) Ph: 915.368.1352	8. Lease Name and Well No. BLANCO 204A
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWNW 775FNL 1000FWL At proposed prod. zone		9. API Well No. 3004532408
14. Distance in miles and direction from nearest town or post office*		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in Lease	11. Sec., T., R., M., or Blk. and Survey or Area Sec 26 T31N R8W Mer NMP
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 3295 MD	12. County or Parish SAN JUAN
21. Elevations (Show whether DF, KB, RT, GL, etc.) 6312 GL	22. Approximate date work will start	13. State NM
23. Estimated duration		17. Spacing Unit dedicated to this well W/2
20. BLM/BIA Bond No. on file		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) VICKI WESTBY	Date 06/02/2004
Title AGENT		
Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed)	Date 7-23-04
Title AFM	Office FFO	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #31394 verified by the BLM Well Information System  
For CONOCOPHILLIPS COMPANY, sent to the Farmington

THE OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
GENERAL REQUIREMENTS.

This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.3  
and approved pursuant to 43 CFR 3165.4

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

NMOCd

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer 00, Artesia, NM 88211-0719

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1994.  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30 045-32408</b>		*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code 31323	*Property Name BLANCO		*Well Number 204A
*OGRID No. 217817	*Operator Name CONOCOPHILLIPS COMPANY		*Elevation 6312'

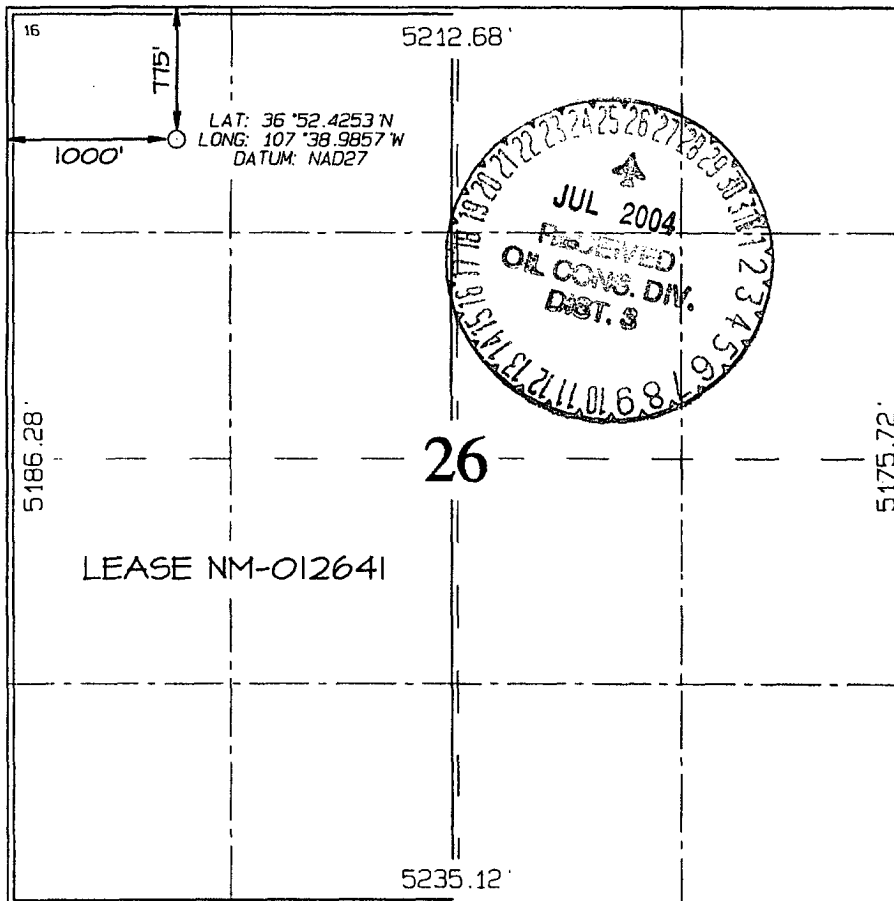
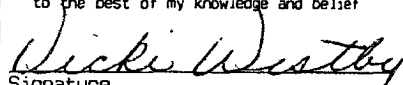
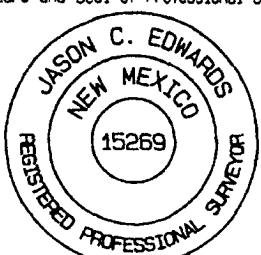
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	26	31N	8W		775	NORTH	1000	WEST	SAN JUAN

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres 320.0 Acres - W/2					<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p><sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature Vicki R. Westby Printed Name Sr. Analyst Title Date <u>June 1, 2004</u></p> <p><sup>18</sup> SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey: APRIL 30, 2004 Signature and Seal of Professional Surveyor  <b>JASON C. EDWARDS</b> Certificate Number 15269</p>
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Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
March 4, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Blanco
8. Well Number 204A
9. OGRID Number 217817
10. Pool name or Wildcat Basin Fruitland Coal

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH  
PROPOSALS.)

1. Type of Well:  
Oil Well ☐ Gas Well ☒ Other

2. Name of Operator  
ConocoPhillips Company

3. Address of Operator  
4001 Penbrook, Odessa, TX 79762

4. Well Location  
Unit Letter D : 775 feet from the North line and 1000 feet from the West line

Section 26 Township 31N Range 8W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
6312' GL

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL D Sect 26 Twp 31N Rng 8W Pit type Drill Pit Depth to Groundwater >100' Distance from nearest fresh water well >1000'

Distance from nearest surface water >1000' Below-grade Tank Location UL        Sect        Twp        Rng        ;        feet from the        line  
and        feet from the        line

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: Drill Pit Notification ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

ConocoPhillips Company's Generic Pit Plan is on file at NMOCD in Aztec, NM. See the attached diagram that details the location of the pit in reference to the proposed wellhead. The drill pit will be lined. The drill pit will be closed after the well has been completed. The solids left after the water has been disposed of will be sampled and NMOCD approval will be obtained prior to closure of this pit.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Vicki Westby TITLE Sr. Analyst DATE 6/2/04

Type or print name Vicki Westby E-mail address: Vicki.R.Westby@conocophillips.com Telephone No. 432-368-1352

(This space for State use)

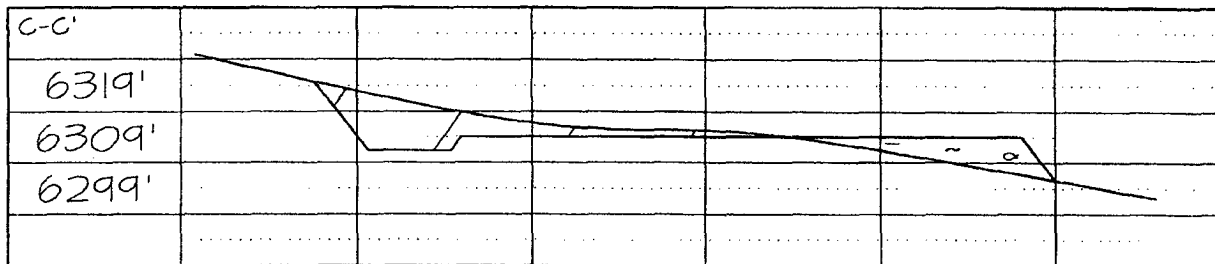
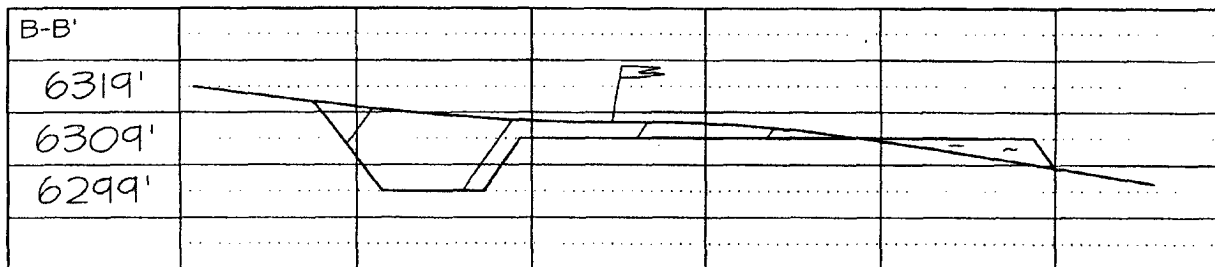
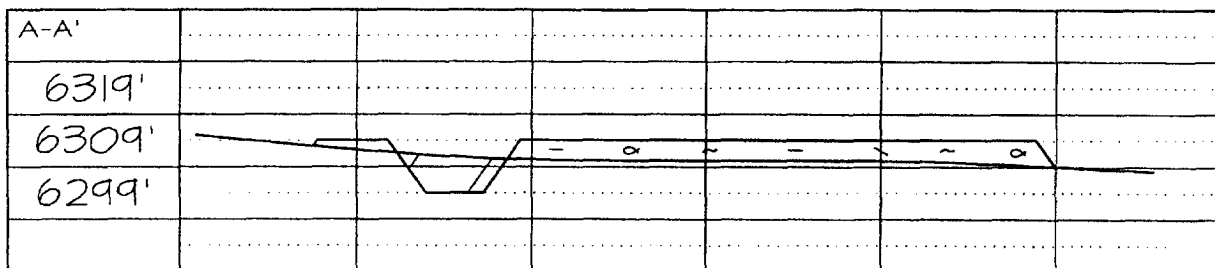
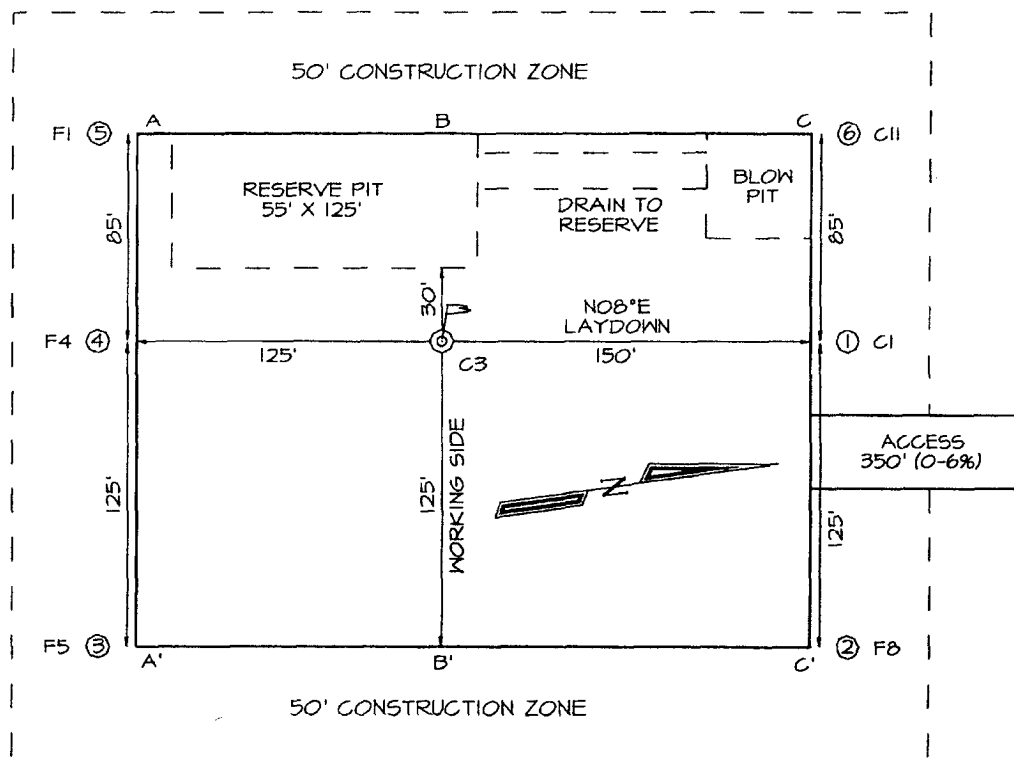
APPROVED BY [Signature] TITLE        DATE         
Conditions of approval, if any:

**CONOCOPHILLIPS COMPANY BLANCO #204A**  
**775' FNL & 1000' FWL, SECTION 26, T31N, R8W, NMPM**  
**SAN JUAN COUNTY, NEW MEXICO ELEVATION: 6312'**

**LATITUDE: 36.87375° N**  
**LONGITUDE: 107.64976° W**  
 DATUM: NAD1927

PLAT NOTE:

\*SURFACE OWNER\*  
 Bureau of Land  
 Management



FILENAME: 31826T2

SHEET 2 OF 6

NCE SURVEYS, INC.

DRAWN BY: EDO

CHECKED BY: JCE

# PROJECT PROPOSAL - New Drill / Sidetrack

BLANCO 204A

Lease:	AFE #: WAN.CBM.4140			AFE \$:
Field Name: CBM DRILL BLOCKS	Rig: 320-2419	State: NM	County: SAN JUAN	API #:
Geoscientist: Murphy, Jim O.	Phone: 832-486-2361	Prod. Engineer: Ens, Jeremy R	Phone: 832-486-2254	
Res. Engineer: Peterson, Brad T	Phone: 486-2055	Proj. Field Lead:	Phone:	

## Primary Objective (Zones):

Zone	Zone Name
JCV	BASIN FRUITLAND COAL (GAS)

Location: Surface				Straight Hole	
Latitude: 36.87	Longitude: -107.65	X:	Y:	Section: 26	Range: 8W
Footage X: 1000 FWL	Footage Y: 775 FNL	Elevation: 6312 (FT)	Township: 31N		
Tolerance:					

Location Type:	Start Date (Est.):	Completion Date:	Date In Operation:
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Formation Data: Assume KB = 6325 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
SAN JOSE	13	6312	<input type="checkbox"/>			
Surface Casing	213	6112	<input type="checkbox"/>			12-1/4 hole. 9 5/8" 32.3 ppf, H-40, STC casing. Circulate cement to surface.
NCMT	525	5800	<input type="checkbox"/>			
OJAM	2059	4266	<input type="checkbox"/>			Possible water flows.
KRLD	2165	4160	<input type="checkbox"/>			
FRLD	2787	3538	<input type="checkbox"/>			Possible gas.
Intermediate Casing	2975	3350	<input type="checkbox"/>			8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Circulate cement to surface.
BASE LOWEST COAL	3215	3110	<input type="checkbox"/>			
Total Depth	3295	3030	<input checked="" type="checkbox"/>	160		6-1/4" hole possibly underreamed to 9.5". Optional Liner: 5.5", 15.5#, J-55 LTC - left uncemented.

## Reference Wells:

Reference Type	Well Name	Comments
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## Logging Program:

Intermediate Logs: ☐ Log only if show ☐ GR/ILD ☐ Triple Combo  
 TD Logs: ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☐ TDT

Additional Information:

Comments: Location/Tops/Logging - HPA

Zones - HPA

General/Work Description - Provide funds to drill and complete the Fruitland Coal formation in the Blanco # 204A located in the NW 1/4 of Section 26, T31N,R8W, Basin Fruitland Coal Field, San Juan County, New Mexico.

Mud Log from intermediate casing shoe to TD will be obtained.

Drilling Mud Program:

Surface: spud mud

Intermediate: fresh water mud with bentonite and polymer as needed

Below Intermediate: air/mist drilling media with foamer, polymer, & corrosion inhibitor as needed

## Blanco # 204A

### SURFACE CASING :

Drill Bit Diameter	12.25"	
Casing Outside Diameter	9.625"	9.001
Casing Weight	32.3	ppf
Casing Grade	H-40	
Shoe Depth	230'	40'
Cement Yield	1.16	cuft/sk
Excess Cement	125	%

Casing Capacity	0.0787	bbl/ft	0.4419	cuft/ft
Hole / Casing Annulus Capacity	0.0558	bbl/ft	0.3132	cuft/ft

Cement Required 155.0 sx

SHOE 230', 9.625", 32.3 ppf,

H-40

Class G, 2% CaCl<sub>2</sub>,  
0.25 #/sk celloflake

### INTERMEDIATE CASING :

Drill Bit Diameter	8.75"	
Casing Outside Diameter	7"	6.456
Casing Weight	20	ppf
Casing Grade	J-55	
Shoe Depth	2975'	
Lead Cement Yield	2.61	cuft/sk
Lead Cement Excess	160	%
Tail Cement Length	300'	42'
Tail Cement Yield	1.27	cuft/sk
Tail Cement Excess	160	%

Casing Capacity	0.0405	bbl/ft	0.2273	cuft/ft
Casing / Casing Annulus Capacity	0.0311	bbl/ft	0.1746	cuft/ft
Hole / Casing Annulus Capacity	0.0268	bbl/ft	0.1503	cuft/ft

Lead Cement Required 381.5 sx

Tail Cement Required 99.8 sx

LINER TOP 2955'

SHOE 2975', 7", 20 ppf,

J-55

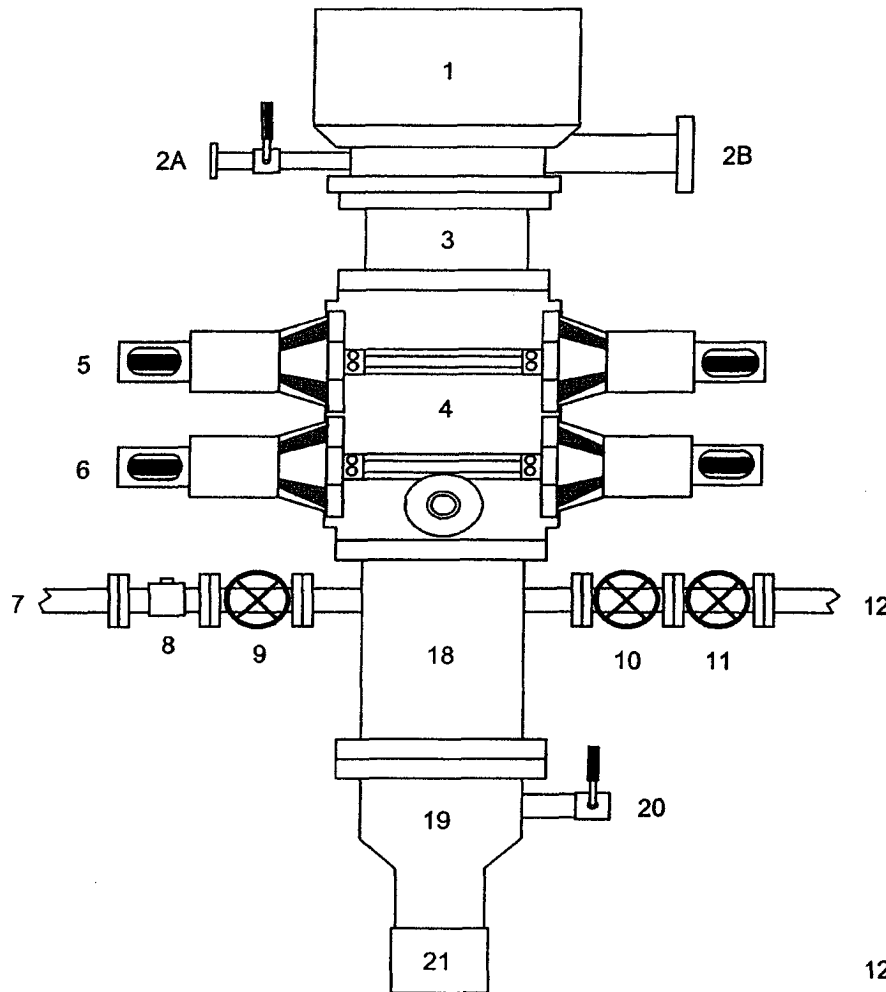
LINER BOTTOM 3295' (Uncemented)

Lead: Class G, 3% D079,  
0.25 #/sk D029, 0.22% D046  
@ 11.7 ppq

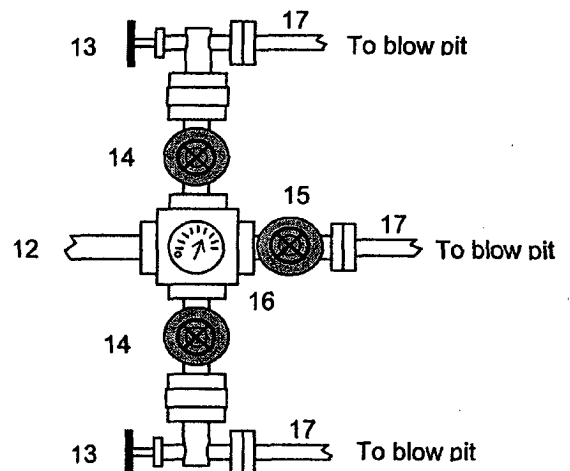
Tail: 50/50 G1702, 2% D020, 2% D046  
5 #/sk D024, 0.25 #/sk D029,  
2% D046 @ 13.5 ppq

# BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

## For Drilling to Intermediate Casing Point & Setting 7" Intermediate Casing



1. Rotating Head
- 2A. Fill-up Line & valve
- 2B. Flowline
3. Spacer Spool
4. Double Ram BOP (11", 3000 psi)
5. Pipe Rams
6. Blind Rams
7. Kill Line
8. Kill Line Check Valve
9. Kill Line Valve
10. Inner Choke Line Valve (3")
11. Outer Choke Line Valve (3")
12. Choke Line (3")
13. Variable Choke
14. Choke Line Valve (2")
15. Panic Line Valve (3")
16. Choke Manifold Pressure Gauge
17. Choke Line (2")
18. Mud Cross Spacer Spool
19. Casing Head "A" Section
20. Casing Head "A" Section 2" Valve
21. 9 5/8" Casing Collar



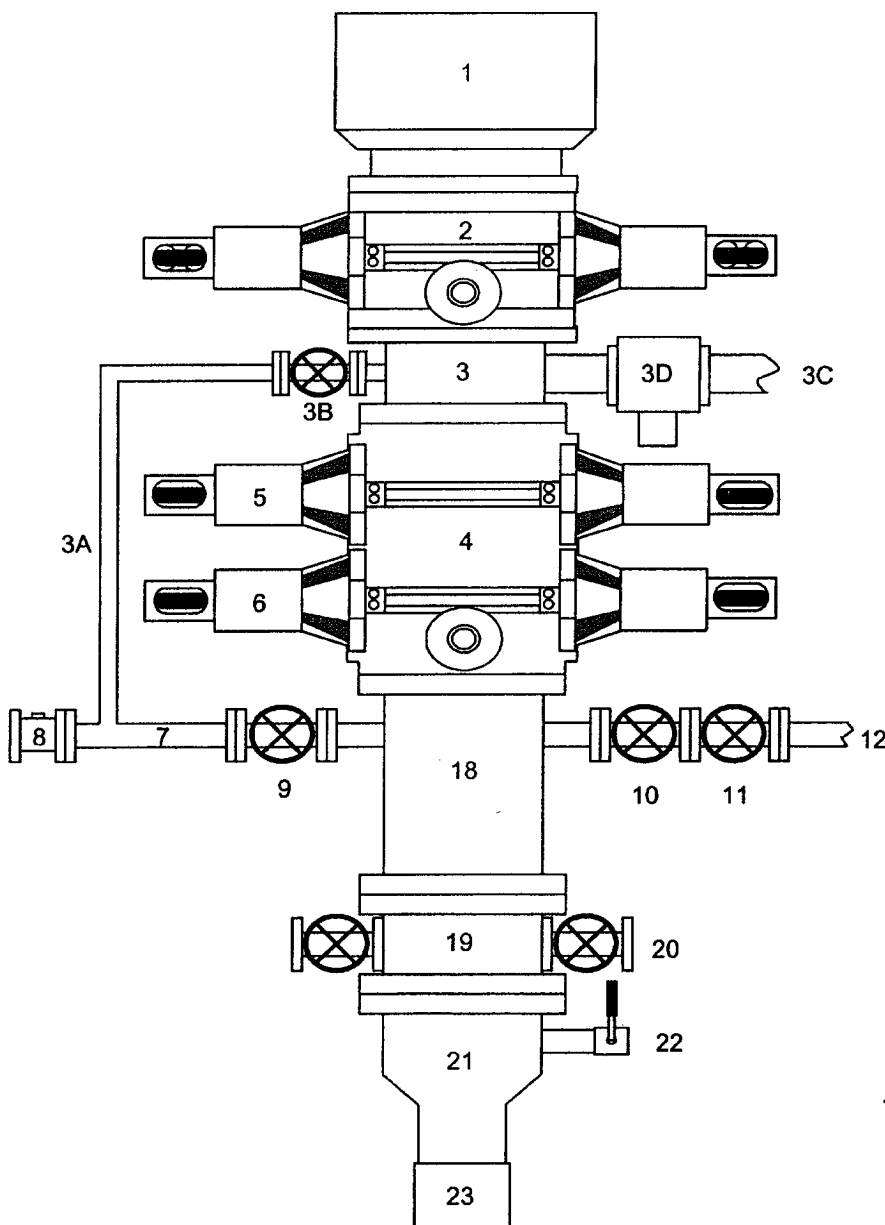
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 2-3 minutes and to 1000 psi (high pressure test) for 10 minutes. Then the test plug will be removed, and the 9-5/8" casing will be pressure tested against closed blind rams to 200 psi to 300 psi for 2-3 minutes and to 1000 psi for 30 minutes (this value is one 44% of the minimum internal yield pressure of the 9-5/8" casing). (Note: per regulatory requirements we will wait on cement at least 8 hrs after placement before testing the 9-5/8" surface casing). Then an 8-3/4" hole will be drilled to intermediate casing point and 7" intermediate casing will be run and cemented.

In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

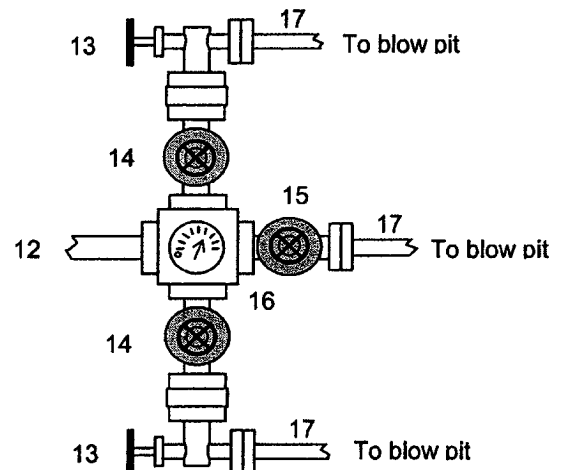
1. Upper Kelly cock Valve with handle
2. Stab-in TIW valve for all drillstrings in use

# BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

## For Cavitation Program



1. Rotating Head
2. Single Ram BOP (7-1/16", 3M)
3. Mud Cross
- 3A. Equalizing Line (2")
- 3B. Wing Valve (2-1/16", 3M)
- 3C. Blooie Line (2 ea, 5" OD)
- 3D. HCR Valve (1 ea per line, 4-1/16")
4. Double Ram BOP (7-1/16", 3M)
5. Pipe Rams
6. Blind Rams
7. Kill Line
8. Kill Line Check Valve
9. Kill Line Valve
10. Inner Choke Line Valve (3")
11. Outer Choke Line Valve (3")
12. Choke Line (3")
13. Variable Choke
14. Choke Line Valve (2")
15. Panic Line Valve (3")
16. Choke Manifold Pressure Gauge
17. Vent Line (2")
18. Spacer Spool
19. Tubing Head
20. Tubing Head Valves (2- 9/16")
21. Casing Head "A" Section
22. Casing Head "A" Section 2" Valve
23. 9-5/8" Casing Collar



This BOP arrangement and test program is for the cavitation program. The BOP will be installed on the tubing head. The 7" casing will be pressure tested against closed blind rams to 200 psi to 300 psi for 2-3 minutes and to 1800 psi for 30 minutes - this test pressure is 48% of the minimum internal yield strength of 3740 psi for the 7", 20#, J-55, STC casing. The pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 2-3 minutes and to 1800 psi (high pressure test) for 10 minutes - This test will be done with a test plug or possibly without a test plug (ie against casing). If we conduct this test without a test plug we will ensure that we have sufficient drillstring weight in the hole to exceed the upward force generated by the test.

We use a power swivel and air/mist to drill the 6-1/4" hole in our cavitation program. We do not use a kelly. In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

1. String floats will be used inside the drillpipe
2. Stab-in TIW valve for all drillstrings in use
3. Each blooie line is equipped with a hydraulically controlled valve (HCR valve).



# ConocoPhillips

San Juan Area  
5525 Hwy. 64  
Farmington, NM 87401

*Release 4-22-04*

April 6, 2004

*SH*  
NMOCD  
Attn: Steve Hayden  
1000 Rio Brazos Rd  
Aztec, NM 87410



Dear Steve:

Attached is a copy of the APD for the Blanco #204A, the Notification Letter to Burlington and the return receipt for the notifications. The 20-day waiting period for Affected Parties to give written objection to this permits should be approx. 4/21/04.

Thanks,

*Patsy Clugston*

Patsy Clugston  
599-3454



San Juan Area  
5525 Hwy. 64  
Farmington, NM 87401

April 1, 2004

(Certified Mail – Return Receipt Requested – 7001 0320 0004 8670 2848)

Re: Blanco #204A  
Basin Fruitland Coal  
2095 FNL & 760 FWL, Section 26, T31N, R8W  
San Juan County, New Mexico

To the Affected Parties:

ConocoPhillips Company is submitting the enclosed Application for Permit to Drill to the appropriate regulatory agency(s) for approval. This well is located inside the High Productivity Area of the Basin-Fruitland Coal Pool as indicated on the attached plat. Notice is being made pursuant to New Mexico Oil Conservation Commission Order R-8768-F dated July 17, 2003.

The affected parties have twenty (20) days from receipt of this notice in which to file with the District Office of the New Mexico Oil Conservation Division written objection to the proposed Application for Permit to Drill.

Sincerely

A handwritten signature in black ink, appearing to read 'Patsy Clugston', written in a cursive style.

Patsy Clugston  
Regulatory Analyst

cc: NMOCD Aztec  
Well File

## SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Burlington Resources Inc  
P.O. Box 4289  
Farmington, NM 81499

## COMPLETE THIS SECTION ON DELIVERY

A. Signature

☐ Agent  
☐ Addressee

B. Received by (Printed Name)

Robert Thomas

2. Date of Delivery

4-2-04

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail  
☐ Registered ☒ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

Article Number

(Transfer from service label)

7001 0320 0004 8670 2848

Form 3811, August 2001

Domestic Return Receipt

**Blanco #204A**  
OFFSET OPERATOR PLAT

2095' FNL; 760' FWL

TOWNSHIP 31 NORTH, RANGE 8 WEST

